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SIPDIS

SENSITIVE

TREASURY DEPARTMENT FOR FINCEN (MARY JO MELANCON)

E.O. 12958: N/A

TAGS: [EFIN](#) [GR](#)

SUBJECT: GREEK GOVERNMENT APPROVES NEW ANTI MONEY-LAUNDERING BILL FOR PARLIAMENTARY SUBMISSION

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1. (U) The Greek government approved October 24 a draft bill aimed at combating money laundering, which brings Greek legislation into line with EU directive 2001/97/EC. According to the Ministry of Economy, the bill greatly extends the ambit of Greece's anti-money-laundering legislation to a number of new predicate offenses, including terrorism financing, trafficking of people, electronic fraud and stock market manipulation. It also broadens the scope of individuals who are required to report suspicious transactions by including more professionals involved such as auction dealers, accountants and lawyers, and reinforces the power and responsibilities of the committee charged with the prevention of money laundering activities.

2. (U) The so-called "Article 7 Committee," which is charged with the prevention of money laundering activities and serves as Greece's Financial Intelligence Unit, becomes an independent authority under the new law. It is also given new powers to access public and private files without being prevented by tax confidentiality. The Committee's authority in the evaluation of information transmitted by different sources in Greece and by international organizations is broadened. It is authorized to freeze the assets of and to impose penalties on money launderers themselves as well as on those who fail to report illegal transactions.

3. (U) The new law adds greatly to the list of predicate offenses falling under the law's purview (Note: New predicate offenses not included in previous legislation, are noted as "new"):

A.

- Criminal organization (article 187, paragraphs 1,2,4 and 5 of Penal Code) (New);
- Terrorist actions (article 187 A of Penal Code) (New);
- Terrorism financing as provided by paragraph 6, article 187A to Penal Code) (New);
- Acceptance of bribery (article 235 Penal Code);
- Trafficking of people (article 323 A Penal Code) (New);
- Electronic fraud (article 386 A Penal Code) (New);
- Prostitution and exploitation of women (article 351 Penal Code);
- Crimes foreseen in articles 4,5,6,7 and 8 of Law 1729/87 regarding the trafficking of drugs;
- Crimes of Paragraph 15 and 17 of law 2168/93 regarding to the possession of firearms;
- Illegal trade of antiquities (articles 2, 53-55, 61 and 63 of Law 3028/2002;
- Crimes foreseen by Law 181/74 "regarding protection from ion radiation";
- Trafficking in person (article 54, paragraphs 5,6,7 and 8 and article 55 of Law 2910/2001) (New);
- Crimes foreseen and punished by articles 3,4 and 6 of Law 2803/2000 that implements the convention on protection of economic interest of the European Communities;
- Crimes foreseen and punished by article 3 of Law 2656/1998 "On combating Bribery of Foreign Public Officials in International Business Transactions";
- Bribery of officials of the European Communities or of Member-states of the European Union as provided by articles 3 and 4 of Law 2802/2000;
- Market abuse either by abuse of privileged information or by manipulation of the market as provided by regulations of Law 3340/2005 (relating to the stock market).

B. Any penal offence if the resulting benefit for the offender is at least 15,000 Euros. (New)

C. Any misdemeanor if it is punished with imprisonment

of 6 months and more and the resulting benefit for the offender is at least 15,000 Euros. (New)

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Comment  
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14. (SBU) This bill represents a significant upgrading of Greek law aimed at combating money laundering and terror finance. It sets the stage for a useful visit to Greece by FinCEN, which will send an unambiguous signal of the importance Washington attaches to the bill and its subsequent, effective implementation. Post will follow implementation of the new law and evaluate whether the Article 7 Committee lives up to the new powers it has been granted.

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